

Message Text

UNCLASSIFIED

PAGE 01 BONN 10951 011610Z

64

ACTION EUR-25

INFO OCT-01 ADP-00 AID-20 EB-11 NSC-10 RSC-01 CIEP-02

TRSE-00 SS-15 STR-08 OMB-01 CEA-02 H-03 AGR-20

CIAE-00 COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12

LAB-06 SIL-01 DODE-00 PA-03 USIA-15 PRS-01 ABF-01

RSR-01 /178 W

----- 110356

R 011421Z AUG 73

FM AMEMBASSY BONN

TO SECSTATE WASHDC 6620

INFO USMISSION EC BRUSSELS

USMISSION OECD PARIS

USMISSION BERLIN

UNCLAS BONN 10951

DEPARTMENT PASS TREASURY AND FEDERAL RESERVE

E.O. 11652: N/A

TAGS: EFIN, GW

SUBJECT: GERMAN FOREIGN EXCHANGE MARKETS ON AUGUST 1

REF: BONN 10885

1. ON AUGUST 1 THE DOLLAR AGAIN CAME UNDER PRESSURE ON GERMAN FOREIGN EXCHANGE MARKETS. SPOT DOLLARS DECLINED FROM THE FIXING RATE OF DM 2.3520 ON JULY 31 TO DM 2.3125/45 IN THE MORNING OF AUGUST 1. IT INCREASED TO DM 2.3240 AT THE OFFICIAL FIXING. A BUNDESBANK FOREIGN EXCHANGE DEALER TOLD US THAT, IN HIS VIEW, THE DOLLAR WEAKENING WAS LARGELY ATTRIBUTABLE TO THE NEW TIGHTENING OF THE GERMAN CALL MONEY MARKET.

2. ON THE GERMAN MONEY MARKET, CALL MONEY INCREASED FROM 2 - 3 PERCENT YESTERDAY TO 17 - 20 PERCENT IN THE MORNING OF TODAY. THIS APPEARS TO BE LARGELY DUE TO THE USUAL BEGINNING OF A MONTH
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INCREASE IN THE BANKS' RESERVE HOLDINGS AT THE BUNDESBANK. THE

BUNDESBANK DISCONTINUED THE SPECIAL REDISCOUNTING OF BILLS FROM
BANKS ABOVE THEIR QUOTAS ON JULY 30.
HILLENBRAND

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCIAL MARKETS, FOREIGN EXCHANGE RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 01 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973BONN10951
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
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Office: ACTION EUR
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 73 BONN 10885
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Review Authority: kellerpr
Review Comment: n/a
Review Content Flags:
Review Date: 22 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <22-Aug-2001 by reddocgw>; APPROVED <27-Aug-2001 by kellerpr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
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Subject: GERMAN FOREIGN EXCHANGE MARKETS ON AUGUST 1
TAGS: EFIN, GE
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005